



2005 SENATE BILL 36

February 2, 2005 – Introduced by Senators LEIBHAM, OLSEN, WIRCH, A LASEE, STEPP, KANAVAS, ROESSLER and LASSA, cosponsored by Representatives LOEFFELHOLZ, SUDER, VAN ROY, PETROWSKI, FREESE, LOTHIAN, ZIEGELBAUER, LEMAHIEU, KESTELL, TOWNSEND, ALBERS, VOS, HINES, OWENS, VRAKAS, JESKEWITZ, MCCORMICK, BIES, KREIBICH, MUSSER, KLEEFISCH, STONE, JENSEN, NASS, VRUWINK and DAVIS. Referred to Committee on Job Creation, Economic Development and Consumer Affairs.

1 **AN ACT** *to amend* 71.05 (6) (b) 21. of the statutes; **relating to:** increasing the
2 amount of the individual income tax subtract modification for social security
3 benefits.

Analysis by the Legislative Reference Bureau

In general, under current law, 50 percent of certain social security benefits is taxed by this state once the recipient's income reaches \$34,000 for a single individual or \$44,000 for a married couple filing jointly, while the federal government taxes 85 percent of these same benefits. This bill exempts from taxation completely the social security benefits which are included in the calculation of a taxpayer's federal adjusted gross income.

This bill will be referred to the Joint Survey Committee on Tax Exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 71.05 (6) (b) 21. of the statutes is amended to read:
5 71.05 (6) (b) 21. The ~~difference between the amount of social security benefits~~
6 included in federal adjusted gross income for the current year ~~and the amount as~~

